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8 UNITED STATES DISTRICT COURT
9 NORTHERN DISTRICT OF CALIFORNIA
10

11 SECURITIES AND EXCHANGE COMMISSION,
12 Plaintiff,
13 vs.
14 THE CHILDREN'S INTERNET, INC., et al.,
15 Defendants.
16

Case No. C-06-6003

STIPULATION AND ~~[PROPOSED]~~
ORDER THAT CIVIL MONETARY
PENALTIES BE DETERMINED BY
THE COURT

17 **STIPULATION**
18

19 Plaintiff Securities and Exchange Commission (the "Commission") and defendant Cort L.
20 Poyner, by and through their respective counsel, hereby stipulate as follows:

21 **WHEREAS:**

- 22 1. A jury trial currently is scheduled starting March 31 to determine if defendant Poyner
23 is liable for violations of the securities laws;
- 24 2. At the Pre-trial conference held before this Court on Tuesday, March 18, the parties
25 agreed, in the event the jury found Poyner liable, the Court (not the jury) determines
26 whether to impose injunctions, disgorgement and remedial bars against Poyner;
- 27 3. At the pre-trial conference, however, Defendant Poyner objected to the Court
28 determining whether to impose a civil penalty and the amount of any such penalty;
4. Defendant Poyner has since withdrawn his objection.

IT IS THEREFORE STIPULATED AND AGREED:

By and among the undersigned, on behalf of their respective clients, that the decision to impose a civil monetary penalty, pursuant to Section 20(d) of the Securities Act [15 U.S.C. § 77t(d)] and Section 21(d)(3) of the Exchange Act [15 U.S.C. § 78u(d)(3)], and the amount of any such penalty is properly decided by the Court based upon the jury's determination of liability.

IT IS SO STIPULATED:

Dated: March 27, 2008

/s/ John S. Yun

John S. Yun

Attorney for Plaintiff

SECURITIES AND EXCHANGE COMMISSION

Dated: March 27, 2008

/s/ Thomas LoSavio

Thomas LoSavio

Low, Ball & Lynch

Attorney for Defendant Cort L. Poyner

IT IS SO ORDERED.

3/28/08



Dated: _____

Claudia Wilken, Judge

UNITED STATES DISTRICT COURT